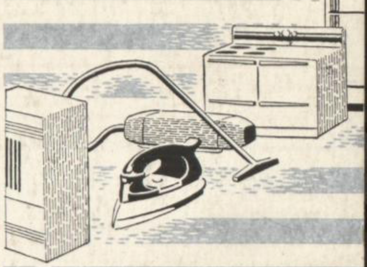

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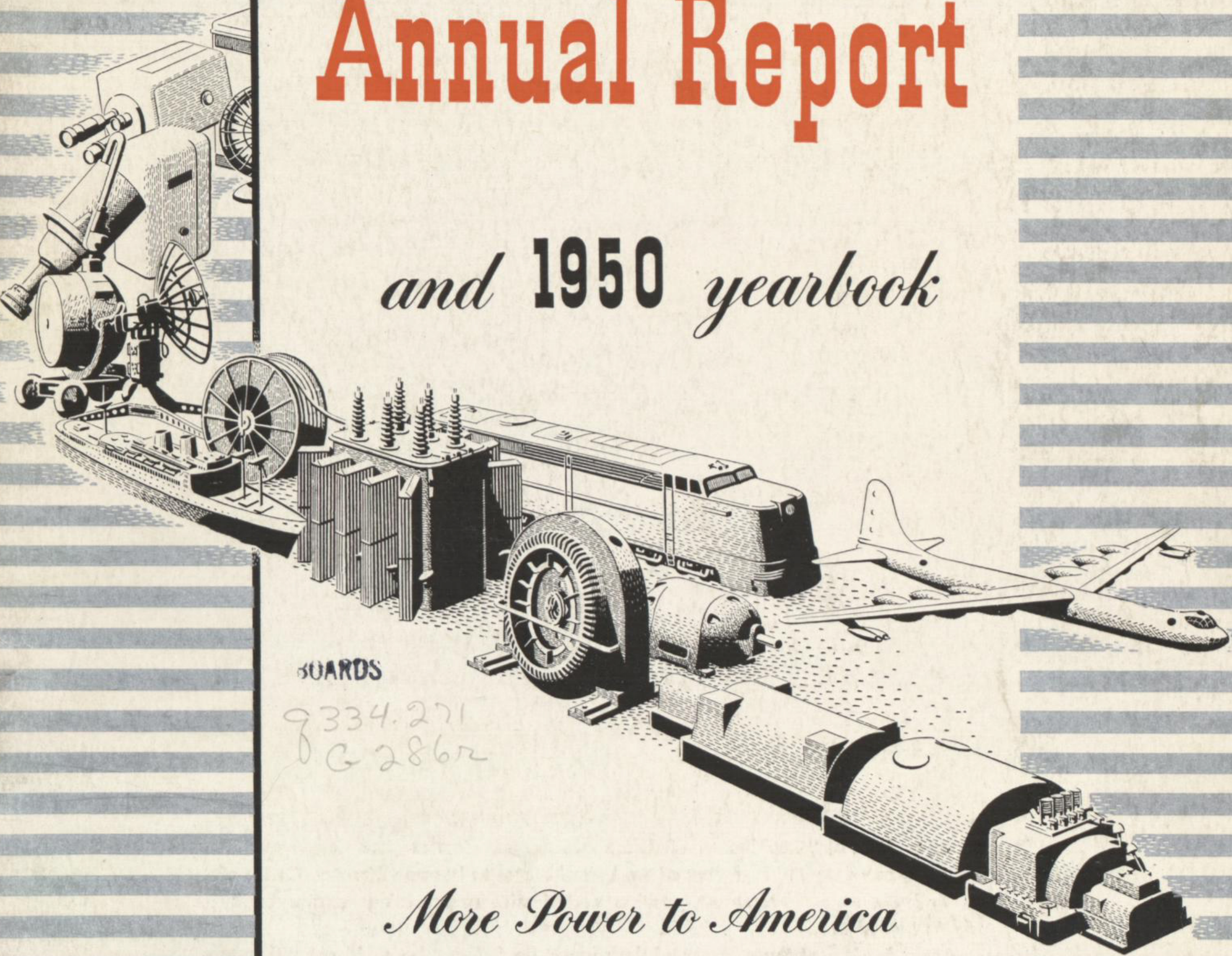
Annual Report

and 1950 *yearbook*



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More Power to America

GENERAL ELECTRIC

Corp. File

CHARLES E. WILSON **President of the General Electric Company**

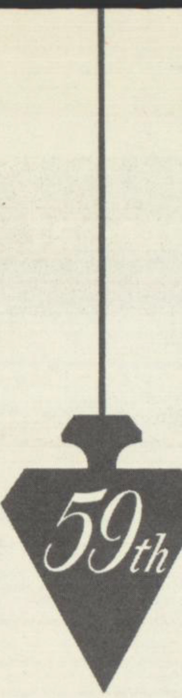
January 1, 1940–September 18, 1942 and September 8, 1944–December 15, 1950

© KARSH, OTTAWA

On December 15, 1950, Mr. Wilson announced to the Directors of your Company that he had been requested by the President of the United States to become Director, Office of Defense Mobilization—a Government position vested with responsibility and authority second only to that of the Presidency itself.

He stated that in view of the urgency of the request he felt that he could not refuse to accept this second call to serve the country in a period of national emergency and that he had decided, therefore, to submit his resignation as President and a Director of the Company, effective immediately.

The Board of Directors, his fellow officers, and the many employees with whom he had been closely associated, expressed a feeling of deep regret when they learned of Mr. Wilson's decision to leave the Company to which he had rendered such outstanding service for more than fifty-one years. At the same time, both within the Company and throughout the nation, there was a feeling of immense satisfaction that Mr. Wilson had been the one chosen to fill this important position with the Government in this critical period.



GENERAL ELECTRIC

Annual Report *and* 1950 *yearbook*

GENERAL ELECTRIC COMPANY, SCHENECTADY, NEW YORK

In this Report, the terms "General Electric" and "Company" refer to the consolidated group of companies as listed in Note 1 on page 18, and the terms "stockholders," "common stock," "directors" and "officers" generally refer only to the Parent Company. References to individual companies, or other groups of companies, in the General Electric family, are specifically designated. Amounts stated in round numbers, as a rule, are approximate.

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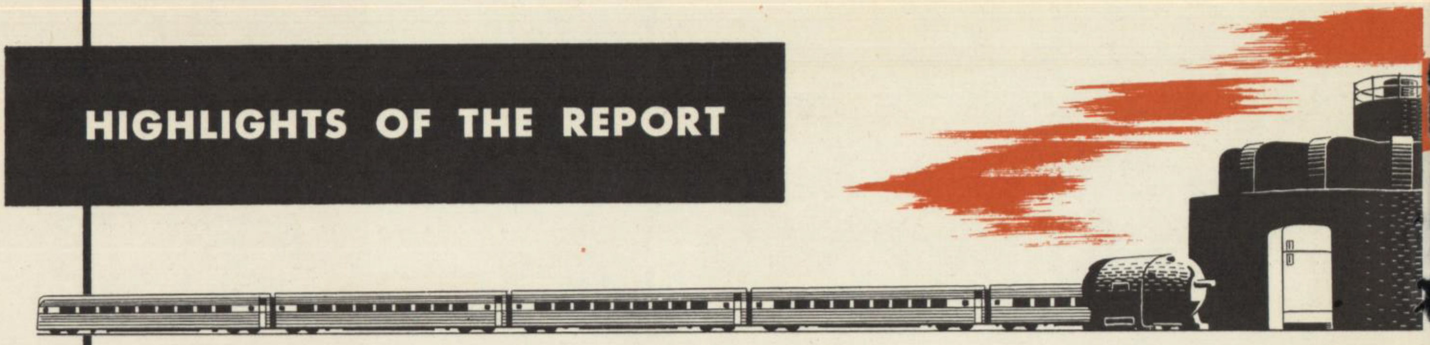
HIGHLIGHTS OF THE REPORT



	1950	1949	PER CENT CHANGE
Sales of products and services to customers.......	$1,960,429,000*	$1,613,564,000	21.5
Net earnings (net profit)........................	$ 173,424,000*	$ 125,639,000	38.0
Net earnings per dollar of total revenue..........	8.7 cents	7.7 cents	13.0
Net earnings per share of common stock.........	$6.01*	$4.36	38.0
Dividends declared per share of common stock...	$3.40*	$2.50	36.0
Dividends paid per share of common stock.......	$3.80*	$2.00	90.0
Average number of stockholders................	249,530	250,562	*0.4*
Average number of employees†.................	183,800	179,300	2.5
Earnings of employees for the year†.............	$ 681,040,000*	$ 606,685,000	12.3
Provision for all taxes..........................	$ 299,446,000*	$ 152,108,000	96.9
Provision for depreciation of plant and equipment.	$ 51,214,000*	$ 47,499,000	7.8
Expenditures for plant and equipment...........	$ 58,237,000	$ 60,905,000	*4.4*
Net working capital at end of year...............	$ 321,574,000	$ 393,484,000*	*18.3*
Notes payable outstanding at end of year.........	–o–	$ 144,500,000	*100.0*

***All-time record**

†These data *include* the number of, and amounts earned by, employees on Nucleonics projects operated for the U.S. Government on the basis of recovery of costs plus a fee of $1.00. However, due to the fact that the Parent Company is reimbursed for all costs incurred in the operation of Nucleonics projects, such costs are *excluded* from the Consolidated Statement of Earnings shown on page 15.

Schenectady, N. Y., March 9, 1951

To The Stockholders:

The year 1950 was the most successful one in the history of General Electric. Your Company's performance during that year exceeded that of any prior year in the quantity of goods produced, in the volume of sales, in net earnings, and in the amount of dividends paid to stockholders. In 1950 the Parent Company paid off the balance of its outstanding note obligations, thus leaving it for the first time since 1946 with no long-term debt.

It is both gratifying and challenging to be able, thus briefly but optimistically, to commence this, the 59th Annual Report issued by the management of your Company. It should be borne in mind that chief credit for these accomplishments, as well as the Company's preparedness to do its full part in this national emergency, is due to the foresight and inspiring leadership of Charles E. Wilson. In addition, a full measure of credit is due the 200,000 employees—at all levels of responsibility—for their outstanding efforts and performance during the year under review.

So it is that we welcome this opportunity to present to you and to the public a review of your Company's activities and operating results in an historic year, together with a brief outline of its objectives and its prospects for the months immediately ahead.

DEFENSE ACTIVITIES

The largest single factor affecting the immediate and the future outlook for American industry is the impact—present and potential—of the country's defense mobilization activities. It is accordingly appropriate at the outset to consider the manner in which such activities are likely to affect your Company in 1951.

Because electric power and electrical products for industry are so essential, General Electric, in a very real sense, is at all times engaged in the business of producing for defense. With the exception of consumer goods, nearly all of the regular commercial products of your Company are virtually indispensable to the many thousands of public utility and manufacturing enterprises which are or will be involved in meeting the requirements of the mobilization program.

Even under normal conditions, from 10 per cent to 15 per cent of General Electric's total business covers equipment for national defense purposes. In times of emergency this proportion rises appreciably. In 1949, about 18 per cent of General Electric's total business covered defense equipment. In 1950, principally as a result of the Korean war, the proportion again increased and for the entire year it was approximately 20 per cent. In view of the proposed substantial increase in Governmental expenditures for military purposes in 1951, it would appear that the proportion this year is almost certain to be in excess of 35 per cent.

As these percentages increase, your Company's problem becomes more difficult. Its present objective is to perform to the extent possible a three-fold task—1) the production of maximum quantities of such special defense equipment as the Government may ask it to manufacture; 2) the manufacture of a sufficient quantity of its standard electrical products to enable utility and industrial producers to furnish their commodities at full capacity; and 3) the continued output, to the greatest extent permissible, of consumer products. The country's expanded defense efforts will undoubtedly require the utilization of some of the facilities now used for the production of such items as appliances, radio and television receivers, lamps and similar products. The extent to which such conversion is necessary will depend on Government decisions concerning the country's over-all requirements for the critical purposes of defense production.

OPERATING RESULTS

On pages 15 through 19 will be found the Company's formal financial statements as well as the report of the independent accounting firm which was authorized by the stockholders, at their last annual meeting, to audit General Electric's accounts and records.

Because many readers are not accustomed to formal accounting statements and have requested that the results be expressed in nontechnical terms, a simplified summary of the Company's operating results for each of the past two years is presented below:

	(AMOUNTS IN THOUSANDS)		
	1950	1949	INCREASE
Revenue was received from the following sources:			
Sales of products and services to customers	$1,960,429	$1,613,564	$ 346,865
Dividends and interest on investments, etc.	28,930	20,194	8,736
Total revenue	1,989,359	1,633,758	355,601
From which payment or provision was made for:			
Employee compensation applicable to the above sales	630,767	597,869	32,898
Pensions, social security and other employee benefits	65,146	51,717	13,429
Depreciation of plant and equipment	51,214	47,499	3,715
Federal taxes on income	197,000	78,000	119,000
Interest on borrowed money and other financial charges	4,752	4,902	*150*
Materials, parts, supplies, etc., purchased, and all other costs, expenses or charges	867,056	728,132	138,924
Total cost of operating the business	1,815,935	1,508,119	307,816
Leaving net earnings (net profit) for the year of	$ 173,424	$ 125,639	$ 47,785

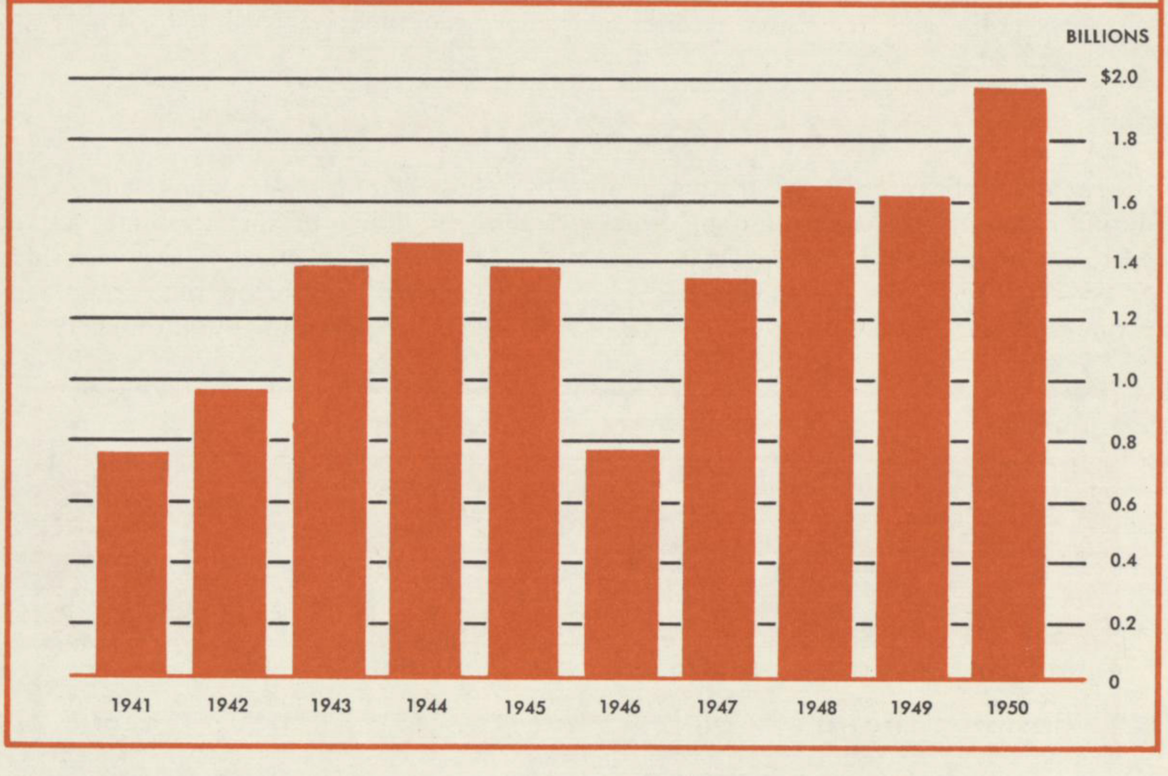
SALES AND PRODUCTION

The trend of your Company's total business during 1950 was steadily upward, net sales to customers having increased in each succeeding quarter to a total of $605,946,000 in the final three months of the year—a new record for quarterly sales volume.

For the full year the net sales amounted to $1,960,429,000, which was an all-time record amount and an increase of 21.5 per cent over the total for 1949. Higher prices, necessitated by the continuing inflationary effects of rising costs of materials and labor, accounted for a portion of this increase. On a weighted average basis, the selling prices of all products of your Company were about two per cent higher during 1950 than they were during 1949.

Producers' goods continued to represent a larger proportion of General Electric's total sales than did consumers' goods, the ratios in 1950 having been roughly 70 per cent and 30 per cent, respectively. These ratios were substantially the same as those for 1949, on a comparable basis. Of necessity, any such segregations involve some rather arbitrary allocations, but the foregoing ratios are believed to be indicative of the division of your Company's business.

NET SALES BILLED



As regards export business for markets outside of Canada, sales of General Electric and other products—at International General Electric Company's selling prices—were equivalent to about five per cent of your Company's total sales in 1950 compared with six per cent in 1949.

In every Operating Department of the

Parent Company and for every manufacturing affiliate, the sales volume in 1950 exceeded that for 1949. Percentagewise, however, the greatest gains during the past year were made in sales of electronic equipment, appliances, chemical products, and construction materials.

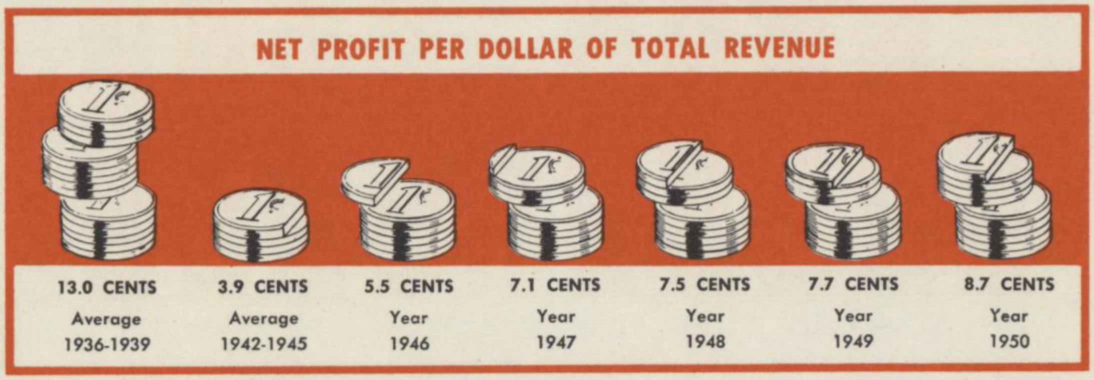
To convey some idea of the very large quantities involved, there are presented below some figures showing the approximate number of units of certain products manufactured by the Company during the past year: over 1.1 billion incandescent, fluorescent, and other types of lamps; more than 82 million electron tubes of all types; approximately 17 million appliances, radio and television receivers, heating and air conditioning units, etc., for use in homes; and over 10 million fractional-horsepower and other small- and medium-sized motors.

In keeping with the trend of production, the number of employees on the pay roll also showed a steady increase throughout the year—from 168,841 at January 1 to a total of 200,419 at December 31, the latter being a new peak for employment in your Company. The average number of employees on the pay roll was 183,800 during 1950 compared with 179,300 in 1949, an increase of 2.5 per cent. Total earnings of employees for the year aggregated $681,040,000, an all-time record amount which was 12 per cent more than the corresponding total for 1949.

EARNINGS AND DIVIDENDS

The net profit earned by your Company during 1950 was greater than for any other year, having amounted to $173,424,000, or 38 per cent more than the previous record earnings of $125,639,000 for 1949.

These earnings were equivalent to 8.7 cents per dollar of total revenue, a rate higher than that earned in any year since 1940, but still well below the average rate of 13.0 cents earned in 1936 through 1939.



The Company's income from operations, which totaled $346,246,000, was higher in relation to sales in 1950 than in any other year since 1941. This resulted from the steady flow of production which was maintained throughout the year, and, aided by technological improvements made during and after World War II, an increase in the productivity of the employees.

Nonoperating income amounting to $28,930,000 was received in 1950, or 43 per cent more than in 1949. The major portion of this income consisted of dividends and interest received from nonconsolidated affiliates.

Of the net profit earned by your Company, 56.0 per cent was declared payable as cash dividends on the common stock in

1950, compared with 56.5 per cent in 1949.

The dividends *declared*, which included a special dividend of $1.00 a share, totaled $3.40 a share in 1950 compared with $2.50 a share declared in 1949.

Dividend *payments* during 1950 totaled $3.80 a share compared with $2.00 a share in 1949. These consisted of a dividend of $1.00 a share (a 50 cent regular and a 50 cent special) paid on January 25, regular amounts of 60 cents a share each paid on April 25, July 25, and October 25, and a special dividend of $1.00 a share paid on December 6, 1950.

WORKING CAPITAL

The Consolidated Balance Sheet on pages 16 and 17 shows the Company's financial position on December 31, 1950 in comparison with December 31, 1949.

Cash and marketable securities together totaled $316,903,000 at the close of last year compared with $322,429,000 a year earlier, despite the fact that $144,500,000 was utilized during 1950 to pay off all of the Company's borrowings.

Inventories of raw materials, partially completed products, and finished goods in warehouses or on consignment, were carried at $338,774,000 on December 31, 1950, after verification and valuation on the basis described in Note 6 on page 18. The corresponding total a year earlier was $300,135,000. In relation to the sales in each respective period, the year-end inventory values were equivalent to 17.3 per cent in 1950, to 18.6 per cent in 1949, and an average of 23.3 per cent for the fifteen years ended with 1949.

The excess of total current assets over total current liabilities, which represents the Company's net working capital, was $321,574,000 as of December 31, 1950 compared with $393,484,000 a year earlier. The following table shows the principal items which accounted for the change in your Company's net working capital position during the year under review:

Working capital at January 1, 1950	$393,484,000	
Additions		
Net earnings for the year	173,424,000	
Depreciation of plant and equipment	51,214,000	
All other—net	3,249,000	
Deductions:		$621,371,000
Repayments of borrowings	144,500,000	
Dividends on common stock	97,060,000	
Expenditures for plant and equipment	58,237,000	
		299,797,000
Working capital at December 31, 1950		$321,574,000

INVESTMENTS

The major portion of your Company's total investments consisted of its holdings of the capital stock of, and notes covering capital advances made to, its nonconsolidated affiliates—those subsidiary companies a majority of whose voting stock General Electric owns but whose accounts are not included in detail in the consolidated financial statements. Notes 1, 4 and 7 on page 18 of this Report show the details of such investments, explain how they were valued, and describe the manner in which the income they produced was recorded.

The 1950 operating results of the principal nonconsolidated affiliates are summarized below:

Canadian General Electric Company, Ltd., which manufactures and sells General Electric products in Canada, earned a net profit, expressed in Canadian dollars, of $7,040,000 for 1950 compared with $4,506,000 for 1949. The portion of these earnings available for dividends on the common stock outstanding, 95.4 per cent of which is owned by the Parent Company, was equivalent to $36.87 a share for 1950 and to $23.36 a share for 1949. Dividends declared on the common stock amounted to $12.00 a share in both years. The dividends received by the Parent Company were included in nonoperating income on the Consolidated Statement of Earnings at $2,022,000 in both years, representing the amounts realized in U.S. dollars.

General Electric Credit Corporation, which conducts a sales financing business throughout the United States to aid in the distribution and sale of General Electric products, earned a net profit of $2,989,000 for 1950 compared with $2,148,000 for 1949. The Parent Company owns all of the common stock, which is the only class outstanding. Dividends of $2,000,000 were declared and paid in 1950 compared with $1,000,000 in 1949, these amounts having been included in nonoperating income on the Consolidated Statement of Earnings for each respective year. As of December 31, 1950 the Corporation's total borrowings amounted to $71,000,000, of which $61,000,000 was obtained from the Parent Company, and $10,000,000 from outside sources—the latter evidenced by serial notes maturing in 1951 through 1954.

General Electric Supply Corporation, a wholesale distributor with branches in more than 120 cities throughout the United States, earned a net profit of $9,798,000 for 1950 compared with $5,532,000 for 1949. The Parent Company owns all of the common stock, which is the only class outstanding. Dividends of $7,200,000 were declared and paid in 1950 compared with $4,400,000 in 1949, these amounts having been included in nonoperating income on the Consolidated Statement of Earnings for each respective year. As of December 31, 1950, the Corporation's total borrowings amounted to $18,000,000, the entire amount having been obtained from the Parent Company.

Your Company's investment in **General Electric common stock** represented the cost of 192,602 shares which were held for corporate purposes at the close of 1950. The holdings were reduced by 115,908 shares during the year under review, 118 shares having been purchased and 116,026 shares disposed of, the latter as described below.

In lieu of cash payments for the year 1949 under the Incentive Compensation Plan (page 21), 45,561 shares were delivered, and 14,183 shares were contingently allotted, to participating employees at the market value of the stock when such allocations were authorized.

An additional 49,582 shares were needed, based on the average market value of the stock at the end of each month, to take care of the bonuses for 1950 which were contingently credited to participants in the Employees Savings and Stock Bonus Plan (page 20).

The remaining 6700 shares disposed of were appropriated to endow a Chair, known as the Charles E. Wilson Professorship in Business Policy, at the Graduate School of Business Administration of Harvard University, in consideration of the benefits accruing to the Company from employee participation in the School's activities and from its significant contributions to the achievement of advanced business techniques. This endowment also served as a means of honoring Mr. Wilson in recognition of his fifty-one years of devoted and brilliant service with your Company, as well as his outstanding service to the country.

Investments in **Miscellaneous securities** consisted of General Electric's financial interest in various other companies, including the minority holdings of voting stock of such companies. The manner in which these Miscellaneous Securities were valued is outlined in Note 9 on page 18 of this Report.

PLANT AND EQUIPMENT

On pages 30 and 31 will be found a list of the plants and principal products of the Parent Company and its domestic manufacturing affiliates as of the close of 1950.

A summary showing the changes in the plant and equipment accounts of your Company during the year under review is presented below:

Cost of plant and equipment in use January 1, 1950	$639,145,000	
Cost of facilities added during 1950	58,237,000	
Adjustment for affiliate not previously consolidated	1,096,000	
Deduct: Cost of facilities dismantled during 1950	*18,518,000*	
Cost of plant and equipment in use December 31, 1950		$679,960,000
Accumulated depreciation at January 1, 1950	367,704,000	
Depreciation charged against income during 1950	51,214,000	
Proceeds from sales, etc., during 1950	2,528,000	
Adjustment for affiliate not previously consolidated	529,000	
Deduct: Cost of facilities dismantled during 1950	*18,518,000*	
Accumulated depreciation at December 31, 1950		403,457,000
Net book value of plant and equipment at December 31, 1950		$276,503,000

The Company's productive facilities at December 31, 1950, consisted of 117 plants containing some 53,500,000 square feet of floor space. These facilities, at their maximum capacity on a full three-shift basis of operation—assuming the availability of necessary materials and manpower—might reasonably be expected to provide for a physical output at least 50 per cent greater than has yet been attained.

Accordingly, as additional facilities are required for the production of special defense equipment, it is your management's present intention either to utilize Government owned facilities or to request certificates of necessity permitting five-year amortization of such capital investment as General Electric has to make. Exceptions will be made, of course, where the facilities appear to be suitable for regular commercial production.

Expenditures for plant and equipment totaled $58,237,000 during 1950 compared with $60,905,000 during 1949, and provision for depreciation amounted to $51,214,000 and $47,499,000, respectively.

The net value at which all of the Company's plant and equipment was carried at the close of 1950 was less than the amount spent for such items in the last four years.

EMPLOYEE AND COMMUNITY RELATIONS

In addition to the owners of the business, there are hundreds of thousands of men and women to whom General Electric's affairs are of particular interest and significance—the employees and their families, relatives and friends who reside in the various communities where the Company's operations are carried on. The opinions of General Electric held by these people are in turn, of equal interest and significance to the management of your Company. Because these opinions are influenced very greatly by the manner in which General Electric conducts itself as an employer and a neighbor, further intensive effort was made during 1950 to humanize and otherwise improve the Company's relations with the people in each locality involved.

Not satisfied with merely continuing to be a good corporate citizen and letting its deeds speak for themselves, your Company attempted to go well beyond that point and explain what it was doing and why it did such things, so that the employees and other community residents would have a greater appreciation of the mutuality of interest existing between them and General Electric.

Accordingly, emphasis was placed on the development of a better understanding of common problems and on finding satisfactory solutions to such problems. By establishing two-way channels of communication, the Company was able to learn the viewpoint of others while providing them with current and accurate information concerning its own policies, plans and actions. For example, the management of each operating unit talked with the employees in group meetings held at least once, and in most cases twice, during 1950, to outline the Company's position and to answer any questions.

These efforts were applied not only to matters having to do with the financial and physical aspects of employment with General Electric, but to matters involving broad economic considerations as well. By such means it was hoped that an ever increasing number of persons might see more clearly how everyone benefits from the proper functioning of the American competitive enterprise system.

A summary of the very substantial extra benefits, in addition to salaries and wages, which the Company has made available to its employees, is presented on pages 20 and 21.

STOCKHOLDERS' MEETINGS

In its attempts to provide the 250,000 widely scattered owners of the business with up-to-date, complete and factual information about the Company, the management necessarily has to resort very largely to such media as annual and quarterly reports and press releases.

Realizing that the printed word is a far from satisfactory substitute for personal contact, and hoping to find some practical means of developing among the stockholders a broader and more intimate interest in the Company's affairs, your management has experimented with a number of different types of stockholder meetings in recent years.

In 1948, a series of forty regional meetings were held in 35 principal cities throughout the country. In 1949 and 1950, for the Annual Meetings at Schenectady, special programs were arranged which included product exhibits, luncheons, and inspection of the Company's new Research Laboratory and turbine facilities. In May, 1950, open house meetings were held at the Company's plants in West Lynn, Massachusetts, Bridgeport, Connecticut, and in Oakland and Ontario, California. The programs included a luncheon, tours of inspection of production facilities, and an exhibition of the Company's products.

During the past three years nearly 20,000 stockholders and their guests have had the opportunity to meet and talk with some of the Company's officers and employees, and to see a part of its facilities in operation.

This year's meeting, which you are most cordially invited to attend, will be held at 10:30 a.m. on April 17 in Building 60 at Schenectady where space will be made available to accommodate several thousand people. Your management hopes, by arranging for special types of programs from time to time in the future, further to stimulate and maintain stockholder interest in the Company's affairs.

LITIGATION

The status of the civil antitrust action against the Parent Company, International General Electric Company, Inc., and seven other defendants in the incandescent lamp industry, which was fully described in the quarterly report issued to stockholders under date of July 25, 1950, was unchanged at the time this Report was prepared.

Any further significant developments in the case will, of course, be reported to the stockholders as promptly as possible.

From present indications, however, it appears doubtful that the issues involved will be finally resolved in the immediate future.

THE TASK AHEAD

Your Company stands ready and willing, for the second time within a decade, to accept its full share of responsibility in a period of national emergency.

The task ahead is, in a sense, rendered more difficult by reason of the fact that we are neither at peace nor at war. This means that we must to the extent possible carry on with the normal pursuits of peacetime production, if for no other reason than to help to preserve and protect our economy. We must, at the same time, undertake in full measure the task of producing defense equipment for the Government, and those standard producer's goods which contribute so importantly to the productive capacity of the nation.

As concerns research and manufacturing facilities, your Company never was in a better position to undertake such a task than it is at the present time. The organization structure is sound, and your management has complete confidence in the ability, resourcefulness and willingness of the employees to carry out their assignments most effectively.

* * * * * * * * * * * *

Respectfully submitted for the Board of Directors

Ralph J. Cordiner

PRESIDENT

General Electric Company

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

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S. SLOAN COLT
RALPH J. CORDINER
DONALD K. DAVID
CHARLES D. DICKEY
G. PEABODY GARDNER
FRANCIS L. HIGGINSON
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GEORGE H. LOVE
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RAY W. TURNBULL . . . . *San Francisco*

HONORARY OFFICERS

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OWEN D. YOUNG . . . . *Honorary Chairman*
WILLIS R. WHITNEY . . . . *Honorary Vice President*

CHANGES IN EXECUTIVE ORGANIZATION

Pursuant to the by-laws and by action of the Board of Directors, the authorized number of Directors was increased from sixteen to eighteen and subsequently reduced to seventeen during 1950.

Charles E. Wilson resigned as President and as a Director of the Company on December 15, 1950, and retired under the provisions of the Company Pension Plan after having completed more than fifty-one years of service.

Ralph J. Cordiner, formerly Executive Vice President, was elected President of the Company to succeed Mr. Wilson on December 15, 1950.

George H. Love, President of the Pittsburgh Consolidation Coal Company, was elected a Director on January 27, 1950.

Neil H. McElroy, President of the Procter and Gamble Company, was elected a Director on January 27, 1950.

Raymond R. Rausch, Vice President since 1948, resigned as of August 31, 1950.

John L. Busey, formerly President of the General Electric Supply Corporation, was elected a Vice President on May 26, 1950, and has charge of Marketing Policy.

Robert Paxton, formerly Manager of the Transformer Divisions of the Apparatus Department, was elected a Vice President on September 8, 1950, and has charge of Manufacturing Policy.

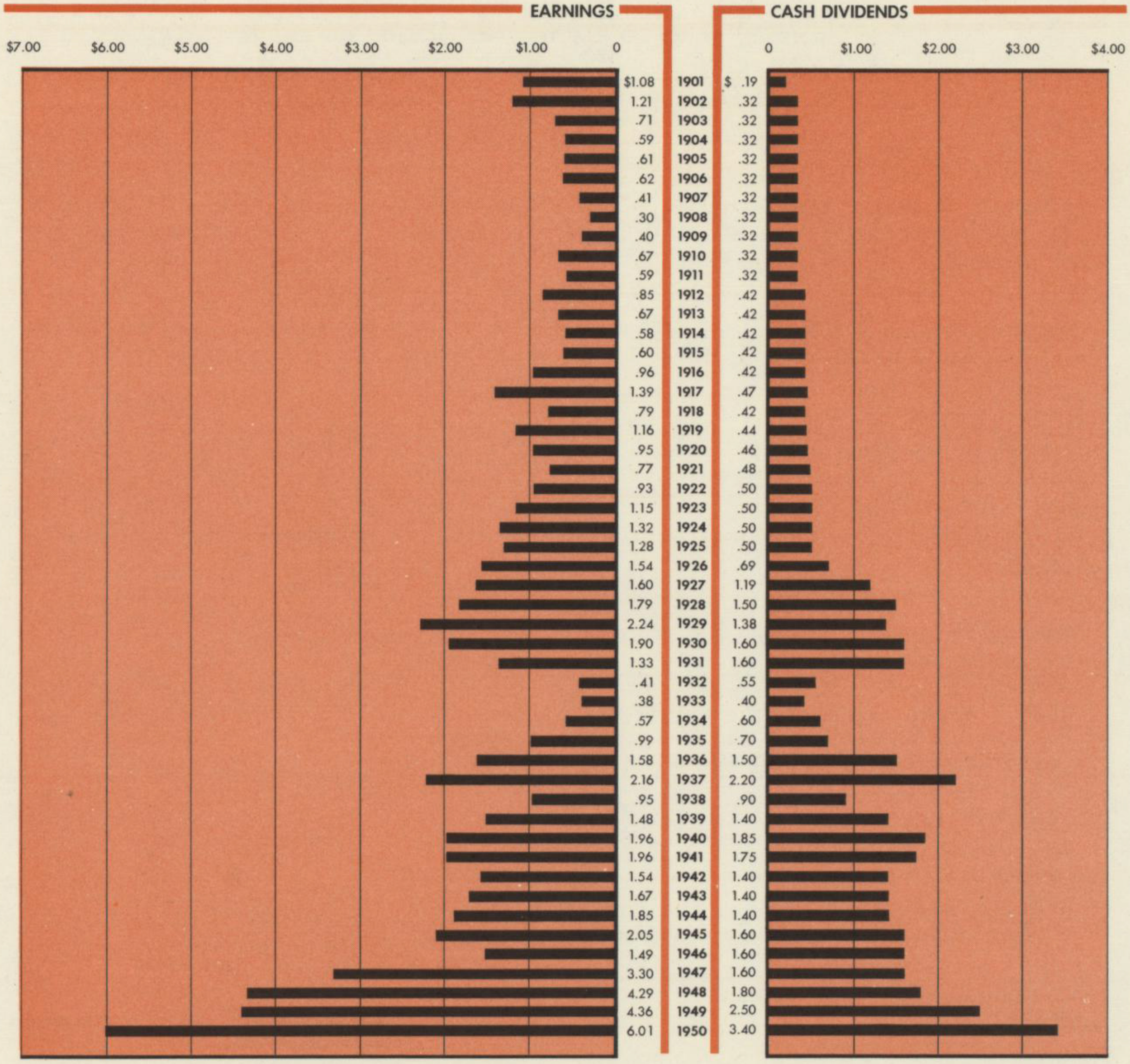
Leonard T. Blaisdell, Commercial Vice President since 1936, retired as of March 31, 1950, after more than forty-five years of service, under the provisions of the Company Pension Plan.

William H. Milton, Jr., Commercial Vice President since 1947, resigned that position and was appointed General Manager of the Knolls Atomic Power Laboratory as of June 1, 1950.

Theophilus F. Barton, Commercial Vice President since 1942, retired as of December 31, 1950, after more than forty-four years of service, under the provisions of the Company Pension Plan.

William V. O'Brien, formerly General Sales Manager of the Apparatus Department, was elected a Commercial Vice President and appointed Assistant Manager of Marketing Policy on May 26, 1950.

EARNINGS AND DIVIDENDS



EARNINGS		CASH DIVIDENDS
$1.08	1901	$ .19
1.21	1902	.32
.71	1903	.32
.59	1904	.32
.61	1905	.32
.62	1906	.32
.41	1907	.32
.30	1908	.32
.40	1909	.32
.67	1910	.32
.59	1911	.32
.85	1912	.42
.67	1913	.42
.58	1914	.42
.60	1915	.42
.96	1916	.42
1.39	1917	.47
.79	1918	.42
1.16	1919	.44
.95	1920	.46
.77	1921	.48
.93	1922	.50
1.15	1923	.50
1.32	1924	.50
1.28	1925	.50
1.54	1926	.69
1.60	1927	1.19
1.79	1928	1.50
2.24	1929	1.38
1.90	1930	1.60
1.33	1931	1.60
.41	1932	.55
.38	1933	.40
.57	1934	.60
.99	1935	.70
1.58	1936	1.50
2.16	1937	2.20
.95	1938	.90
1.48	1939	1.40
1.96	1940	1.85
1.96	1941	1.75
1.54	1942	1.40
1.67	1943	1.40
1.85	1944	1.40
2.05	1945	1.60
1.49	1946	1.60
3.30	1947	1.60
4.29	1948	1.80
4.36	1949	2.50
6.01	1950	3.40

NOTE 1:—This is a fifty-year record of the earnings and cash dividends per share of present common stock. Adjustments have been made for common stock dividends distributed prior to 1922 (see note 2) and for two increases in the number of shares (four shares for one in each case), the first in May 1926 and the second in January 1930. The earnings shown represent earnings of the Parent Company through 1933 and earnings of the Parent Company and consolidated affiliates thereafter, on the basis of the average number of shares issued. The dividends shown represent cash dividends declared. For dividends distributed in stock, see note 2. The amounts shown for 1909 cover the eleven months ended December 31, as of which date a change was made from a fiscal to a calendar year basis of reporting.

NOTE 2:—In addition to cash dividends, the following dividends have been distributed in stock: 1902—66⅔% in common stock, to restore a 40% reduction made in 1898; 1912—30% in common stock; 1917—2% in common stock; 1918-1921 inclusive—4% annually in common stock; 1922-1925 inclusive—5% annually in special* stock; 1924—one share of Electric Bond and Share Securities Corporation stock; 1926—one dollar in special* stock; 1932—1/6 share of Radio Corporation of America common stock.

***Special stock, par value $10 a share, paying 6% annual dividend. Retired in 1935 at $11 a share and accrued dividend.**

General
Electric
Company

CONSOLIDATED STATEMENT OF EARNINGS

CURRENT EARNINGS

	YEAR ENDED DECEMBER 31 1950		1949	
Sales of products and services to customers		$1,960,429,446		$1,613,563,611
Deduct: Depreciation of plant and equipment	$ 51,213,660		$ 47,499,188	
All other operating costs, expenses and charges	1,562,969,597		1,377,717,908	
Total operating costs, expenses and charges (Note 2)		1,614,183,257		1,425,217,096
Income from operations		346,246,189		188,346,515
Add: Dividends and interest from nonconsolidated affiliates	17,763,200		11,181,924	
Other sundry revenue	11,166,187		9,012,234	
Total non-operating income		28,929,387		20,194,158
Total income from operations and other sources		375,175,576		208,540,673
Deduct: Interest and other financial charges		4,751,874		4,901,622
Earnings before provision for Federal taxes on income		370,423,702		203,639,051
Deduct: Provision for Federal taxes on income (Note 3)		197,000,000		78,000,000
Net earnings		$ 173,423,702		$ 125,639,051

REINVESTED EARNINGS

	1950		1949	
Reinvested earnings at beginning of period	$421,417,924		$363,716,280	
Add: Net earnings for year	173,423,702		125,639,051	
Net undistributed earnings of nonconsolidated affiliates (Note 4)	7,925,882		3,087,717	
	602,767,508		492,443,048	
Deduct: Dividends declared on common stock	97,059,716		71,025,124	
Reinvested earnings at end of period		$505,707,792		$421,417,924

The accompanying notes, which include a description of the basis of consolidation, constitute an integral part of this statement.

General
Electric
Company

CONSOLIDA

ASSETS

	DECEMBER 31, 1950		DECEMBER 31, 1949	
Current assets:				
Cash	$ 63,038,689		$ 58,281,929	
Marketable securities (Note 5)	253,864,140		264,146,955	
Receivables—after reserves:				
Customers	164,220,675		121,665,505	
Nonconsolidated affiliates	60,837,660		48,888,874	
Others	20,064,390		14,613,370	
Inventories—after reserves (Note 6)	338,773,773		300,134,816	
	900,799,327		807,731,449	
Deduct: Progress collections on contracts	*94,740,813*		*107,381,017*	
Price adjustments accrued	*37,363,752*		*19,247,202*	
Total current assets		$ 768,694,762		$ 681,103,230
Investments:				
Nonconsolidated affiliates (Note 7)	167,307,701		136,848,194	
General Electric common stock (Note 8)	5,958,356		9,544,099	
Miscellaneous securities—after reserve (Note 9)	7,622,748		13,271,479	
Total investments		180,888,805		159,663,772
Plant and equipment:				
Cost	679,960,085		639,145,264	
Deduct: Accumulated depreciation	*403,456,596*		*367,704,344*	
Plant and equipment—net		276,503,489		271,440,920
Assets of special funds:				
Fund for payments under U.S. Government contracts	15,096,374		15,564,536	
Employee benefit plans and taxes withheld	18,388,377		25,636,534	
Total assets of special funds—per contra		33,484,751		41,201,070
Other assets:				
Receivables not current—after reserves	12,604,741		12,631,343	
Marketable securities deposited as guarantees (Note 5)	3,589,224		3,503,601	
Miscellaneous assets—after reserves	1,660,035		1,734,983	
Patents and other intangible assets	1		1	
Total other assets		17,854,001		17,869,928
Total assets		$1,277,425,808		$1,171,278,920

The accompanying notes, which include a description of the ba

TED BALANCE SHEET

LIABILITIES AND CAPITAL

	DECEMBER 31, 1950		DECEMBER 31, 1949	
Current liabilities:				
Accounts payable	$ 79,968,280		$ 55,823,006	
Due to nonconsolidated affiliates	3,083,471		3,296,642	
Dividends payable	17,134,444		28,425,992	
Accrued liabilities:				
Federal, state and local taxes	260,590,548		127,472,262	
Other costs and expenses (Note 10)	86,343,733		72,601,298	
Total current liabilities		$ 447,120,476		$ 287,619,200
Notes payable (Note 11)		—		144,500,000
Accounts payable and accruals—not current		22,913,086		15,356,927
Liabilities for special funds:				
Fund for payments under U.S. Government contracts	15,096,374		15,564,536	
Employee benefit plans and taxes withheld (Note 12)	18,388,377		25,636,534	
Total liabilities for special funds—per contra		33,484,751		41,201,070
Deferred income		1,901,215		1,410,418
Miscellaneous reserves		69,152,844		64,161,824
Stockholders' investment:				
Common stock—stated value of no par value shares (authorized 35,000,000 shares; issued 28,845,927 shares)	180,287,046		180,287,046	
Investment in excess of stated value of common stock (Note 13)	16,858,598		15,324,511	
Reinvested earnings	505,707,792		421,417,924	
Total stockholders' investment (Note 14)		702,853,436		617,029,481
Total liabilities and capital		$1,277,425,808		$1,171,278,920

sis of consolidation, constitute an integral part of this statement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1—Basis of Consolidation. These financial statements represent a consolidation of the accounts of the Parent Company—General Electric—and those of the following affiliated companies 100% of whose voting stock was owned, directly or indirectly, by the Parent Company: Carboloy Company, Inc.; General Electric Realty Corporation; General Electric X-Ray Corporation; General Electric Medical Products Company; Hotpoint Inc.; Illinois Cabinet Company; International General Electric Company, Inc.; Locke Incorporated; The Mahoning Valley Steel Company; The Maqua Company; Monowatt Incorporated; Precision Laboratories, Inc.; Telechron Inc.; and The Trumbull Electric Manufacturing Company. (Hereafter referred to as the Consolidated Group.)

The accounts of other affiliated companies, a majority of whose voting stock was owned, directly or indirectly, by the Parent Company, were not consolidated because their businesses either did not involve manufacturing or were conducted outside the continental United States. (Hereafter referred to as Nonconsolidated Affiliates.)

The financial interests of the Consolidated Group in the Nonconsolidated Affiliates were carried on the accompanying Balance Sheet as Investments, on the valuation basis described in Note 7.

The net earnings of the Consolidated Group reflected (a) the inclusion of amounts received as dividends from, rather than the equity in the net earnings of, the Nonconsolidated Affiliates; (b) the elimination of unrealized intercompany inventory profits; and (c) the application of safety factor discounts to foreign currency asset values.

Note 2. Operating costs, expenses and charges excluded those applicable to Nucleonics projects operated for the U.S. Government.

Note 3. The amount shown for 1950 includes $30,282,000 as provision for excess profit tax.

Note 4. Undistributed earnings represented the differences between the equity of the Consolidated Group in the net earnings or losses of, and the dividends from, the Nonconsolidated Affiliates for each respective year.

Note 5. Marketable securities, which consisted of issues of the U.S. Government and its agencies and of high grade short term commercial paper, were carried at the lower of amortized cost or market value, on the basis of individual issues. On December 31, 1950, the aggregate quoted market value of the securities held was as follows: Securities in portfolio—$253,893,000; Securities deposited as guarantees—$3,596,000.

Note 6. Inventories were verified by physical count during the latter part of the year. They were carried, in accordance with long established practice, at the lower of cost (exclusive of certain indirect manufacturing expenses) or market values of individual items or groups of items on a "first-in, first-out" basis, less reserves which (a) make provision for possible losses on inactive and excess stocks; (b) have the effect of accounting for the inventory of copper substantially in accordance with the base stock principle; and (c) eliminate unrealized intercompany profits.

Note 7. Investments in Nonconsolidated Affiliates consisted of:

	Dec. 31, 1950	Dec. 31, 1949
Canadian General Electric Company, Ltd.	$ 32,400,250	$ 25,221,270
General Electric Credit Corporation	73,875,622	59,886,343
General Electric Supply Corporation	38,623,179	34,561,571
All other	22,408,650	17,179,010
	$167,307,701	$136,848,194

These carrying values represented the sum of the Consolidated Group's outstanding capital advances to, and equity in the net worth of, each Nonconsolidated Affiliate as of the close of the year. The net worth of each Nonconsolidated Affiliate was determined on the same accounting basis as was employed by the Consolidated Group, and thus it reflected (a) the elimination of unrealized intercompany inventory profits and (b) the application of safety factor discounts to foreign currency asset values.

Note 8. General Electric common stock in the portfolio was held for corporate purposes and was carried at its cost. There were 192,602 shares held on December 31, 1950, the aggregate quoted market value of which was $9,582,000.

Note 9. Miscellaneous securities (except for certain foreign investments, principally in Germany and Japan, which were written off some years ago) were valued at cost less a reserve of $15,000,000 to provide for possible losses. On December 31, 1950, the aggregate estimated market or fair value of the portfolio of the Consolidated Group was $33,572,000.

Note 10. Other costs and expenses accrued included liabilities for payrolls, payments to the General Electric Pension Trust, replacement guarantees, etc.

Note 11. General Electric Credit Corporation, a nonconsolidated affiliate, had loans outstanding of $10,000,000 from outside sources as of December 31, 1950.

Note 12. These amounts included the contingent liability to certain participants in the former Extra Compensation Plan for the years 1947 through 1949.

Note 13. Profits realized on treasury stock disposed of and premiums received on original sales of common stock.

Note 14. In addition to the common stock there have been authorized, but not issued, 1,207,036 shares of $10.00 par value 6% cumulative special stock.

Note 15. As of December 31, 1950, the unfunded past service liability of all companies in the General Electric Pension Plan was estimated to be approximately $105,600,000.

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

PEAT, MARWICK, MITCHELL & CO.
Seventy Pine Street
New York 5, N. Y.

To the Stockholders and the Board of Directors of
General Electric Company, Schenectady, N. Y.

We have examined the consolidated balance sheet of General Electric Company and affiliates as of December 31, 1950 and the related statement of earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and related consolidated statement of earnings present fairly the financial position of General Electric Company and affiliates at December 31, 1950 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell & Co.

New York 5, N. Y.,
February 21, 1951

EMPLOYEE BENEFIT PLAN STATISTICS

Over a period of nearly 50 years, many plans have been established to promote the welfare and security of the employees. Only the essential features of the principal plans currently in effect are outlined here, the rights of any individual being subject to the actual terms and conditions of each plan. Unless otherwise specified, the statistics shown apply to the Parent Company and all participating affiliates.

Savings Plans (Original plan established in 1917)

Employees Savings and Stock Bonus Plan (Established in 1948)

Provides for payment of a 15 per cent bonus, in General Electric common stock, on the cost—up to a limit of $30,000,000 a year—of U.S. Savings Bonds, Series E, purchased by means of payroll deductions and left on deposit for five years.

Cost of Bonds on deposit December 31, 1950	$ 42,300,000
Number of participants December 31, 1950	70,462
Annual rate of cost of Bonds being purchased December 31, 1950	$ 21,164,000

The bonus contingently credited to participants as of December 31, 1950 was represented by 151,543 shares of G.E. common stock held by, or for delivery to, the Trustees of the G.E. Employees Stock Bonus Trust.

U.S. Savings Bond Plan (Established in 1941)

Provides for purchases of U.S. Savings Bonds by means of payroll deductions, or for cash, irrespective of purchases under Employees Savings and Stock Bonus Plan.

Cost of Bonds purchased 10 years ended December 31, 1950	$ 270,190,000
Number of participants December 31, 1950	15,076
Annual rate of cost of Bonds being purchased December 31, 1950	$ 6,112,000

Insurance Plans

Employees Insurance Plan (Established in 1920)

As amended in 1950, provides life insurance coverage, accidental death and dismemberment benefits, maternity benefits, and non-occupational sickness, accident, hospitalization and surgical operation benefits. Life insurance coverage, in reduced amounts, is provided for after attainment of normal retirement age. Costs paid for jointly by the Company and by employees, but employees pay nothing after normal retirement age.

Life insurance in force December 31, 1950	$1,064,380,000
Accidental death insurance in force December 31, 1950	$ 386,790,000
Number of participants December 31, 1950	220,716
Benefits paid (to 16,430 beneficiaries) 31 years ended December 31, 1950	$ 41,505,000

Pensioners Hospitalization Plan (Established in 1948)

As amended in 1950, provides free hospitalization and surgical operation benefits for eligible pensioners from funds made available upon dissolution of G.E. Employees Securities Corporation by actions of its Board and the Board of the Parent Company.

Assets of G.E. Pensioners Hospitalization Trust December 31, 1950	$ 5,920,000

Other Plans

Through mutual benefit associations (established in 1902) or insured health plans (established in 1939) *dependents* of employees may receive hospitalization, surgical operation and other benefits. The cost of benefits paid under these Plans is borne by employees, and administration costs are borne by the Company.

Pension Plan (Established in 1912)

As amended in 1950, provides for old age and disability pensions, and for payments upon death under certain conditions. Employees have vested rights to old age pensions upon completion of 20 years of credited service. Pensions consist of one or both of the following: (a) Past service annuities—paid for by the Company—for all employees who had one or more years of continuous service on September 1, 1946, and (b) future service annuities—paid for jointly by the Company and by employees—applicable to the service after September 1, 1946 of all who participate. Specified minimum retirement incomes (including primary Federal Social Security benefits) are guaranteed upon retirement with 15 or more years of credited service.

Assets of the General Electric Pension Trust December 31, 1950 (Note 1)	$278,976,000
Pensions paid during 39 years ended December 31, 1950	$ 75,921,000
Number on pension rolls December 31, 1950	12,494
Average age of pensioners December 31, 1950	68.5 years
Average continuous service of pensioners to date of retirement	25.1 years
Minimum annual retirement income (including any primary Federal Social Security benefit receivable) guaranteed to participants who currently retire at normal retirement age with 25 or more years of credited service	$ 1,500

Note 1: These assets consisted principally of high grade corporate and U.S. Government securities. A total of $56,135,000 was payable to the Trust for the year 1950 ($42,344,000 by the Company and $13,791,000 by employees) of which $20,742,000 was paid between December 31, 1950 and February 28, 1951.

Note 2: Under an Additional Pension Plan, established in 1928 to promote employee saving for supplemental pension purposes and terminated as of September 1, 1946 except as to amounts then accumulated, 17,926 employees had $16,086,000 on deposit with the Trustees on December 31, 1950.

Incentive Compensation Plan (Original plan formalized in 1923)

Provides for payments, dependent upon net profits earned, to employees in supervisory and other important positions—including the executive officers—as an added incentive to increase the Company's net profit.

Amount set aside based on the Company's net profit of $173,424,000 for 1950	$ 10,000,000

Of this amount such portion as the Directors may determine will be allocated in 1951 to employees of the Parent Company and its consolidated affiliates. The amount set aside based on the Company's net profit of $125,639,000 for 1949 was $6,829,000, of which $6,198,000 was allocated.

Suggestion Plan (Formalized in 1922)

Provides for cash awards to employees—for their suggestions which are adopted—to stimulate their initiative in proposing better ways of doing things, to reduce costs or otherwise improve the Company's operations.

Awards made during 1950	$ 375,000
Awards made during 28 years ended December 31, 1950	$ 3,218,000

General Electric Educational Fund (Established in 1945)

Established in honor of former Presidents Charles A. Coffin and Gerard Swope, the fund consists of the Charles A. Coffin Foundation, created in 1922, the Gerard Swope Foundation, and the G.E. Employees Education Foundation. Income of the Fund provides educational loans, fellowships and scholarships for employees and others.

Assets of the General Electric Educational Fund December 31, 1950	$ 1,020,000
Amount of grants made during 28 years ended December 31, 1950	$ 315,000
Number of grants made	737

Yearbook

"MORE POWER TO AMERICA" makes an appropriate headline for the 1950 Yearbook because, directly and indirectly, all departments of General Electric made timely contributions during the year to a more productive and stronger nation. Specific examples of accomplishment are plentiful, and, in the light of the national emergency, it is particularly fortunate that a high level of production was maintained throughout the year.

This production included a large volume of direct military and defense work. It also added greatly to the ability of other industries to produce and contributed substantially to an improved national economy. Most of all, the Company's over-all level of activity built up a large and efficient plant and organization which was readily adaptable to help fill the new needs of the nation.

A 1950 event of tremendous significance from the standpoint of long-term growth was the completion of the Company's new Research Laboratory buildings in Schenectady. The laboratory was dedicated in October on the 50th anniversary of its founding. Now the nation's pioneer laboratory devoted to fundamental research is better equipped than ever before in both physical facilities and in its personnel to continue the steady flow of new knowledge on which progress depends.

Built on the Mohawk River outside Schenectady in a location detached from regular manufacturing operations, the new laboratory enjoys an atmosphere conducive to fundamental research. Its five principal buildings include 185,000 square feet of floor space designed to make all the necessary services easily available for any research project. The laboratory staff has been materially strengthened in recent years and now numbers more than 800, of whom more than one-fourth are research scientists and the rest technicians, mechanics and office personnel.

The yearly advances in fundamental research are not easily described in a nontechnical report, but the scope of the laboratory's work is suggested by a few examples.

New knowledge about metals and alloys is quickly translated into improved products, and a new powerful permanent magnet, such as two types developed in 1950, may lead to a better television set or an improved aircraft instrument. Much has been learned about metals by studying them in supercooled form, and improved alloys have the possibility of leading to more efficient jet engines, steam turbines, or cabinets for home appliances. Also in the field of metallurgy, a new process was developed for purifying germanium, a little known element widely used in electronics. Further electronic advances were promised by the development of new types of tubes and new materials which give off electrons.

Chemical developments included new insulating varnishes, new materials for sealing pores and cracks, and a gage to measure the thickness of films in millionths of an inch.

In a separate building devoted to radiation studies, work progressed on a new tool for studying the atomic nucleus—called a non-ferromagnetic synchrotron.

Atomic Research

On grounds nearby the Company's own Research Laboratory, facilities of the Knolls Atomic Power Laboratory were completed early in 1950. The work of this laboratory, built and operated by the Company for the U.S. Atomic Energy Commission, is in two parts. One is to give scientific assistance to the Hanford Works at Richland, Wash., also operated for the AEC, in the production of plutonium. The other is the development and construction of plants designed to develop useful power from atomic energy.

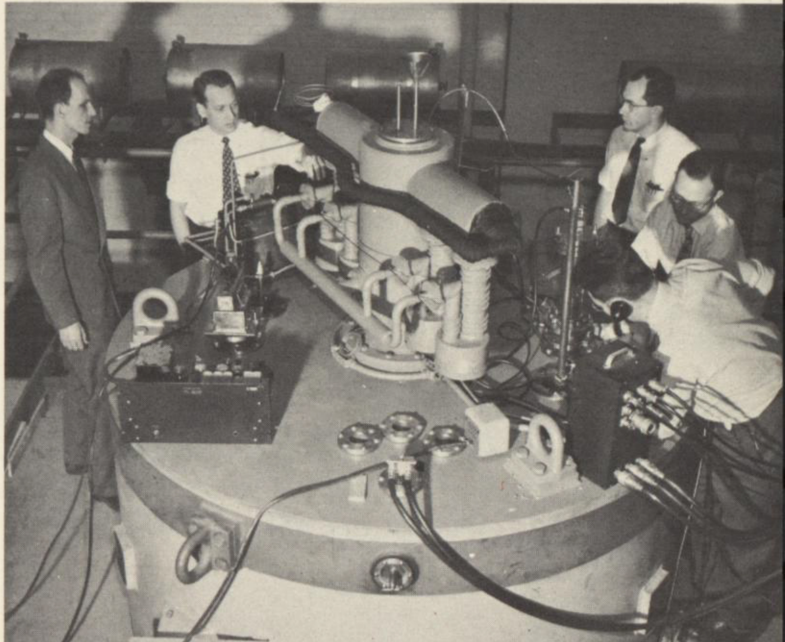
In the spring of 1950 it was announced that the project for construction of an atomic power plant was being changed from a land-based power plant to one for a submarine. Also during the year it was disclosed for the first time that the Knolls Atomic Power Laboratory has been producing small amounts of atomic energy since April, 1948, with regular operation of a "preliminary pile assembly" giving a controlled chain reaction.

New facilities, together with technological progress, have resulted in a substantial increase in plutonium output at the Hanford Works. The cost of making plutonium, the explosive element of the atomic bomb, has also been substantially reduced, which has meant a tremendous saving to the nation, since nothing is more costly to produce.

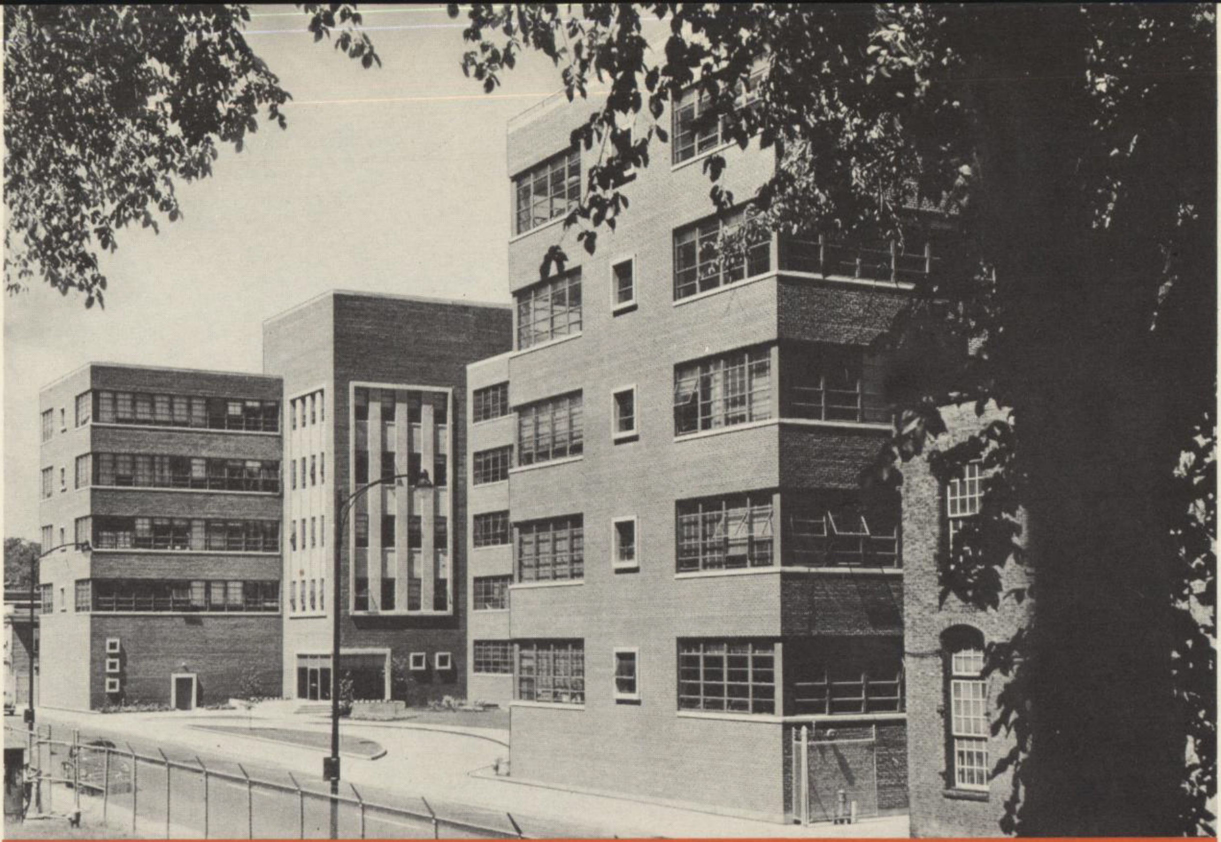
Engineering Laboratories

The basic work of the Research Laboratory is complemented by the General Engineering Laboratory in Schenectady and the specialized laboratories of the operating departments. Their activities have been expanded in recent years to keep pace with the growth of the Company as a whole. Important additions were made in 1950. A new Measurements Laboratory, a modern five-story building with 100,000 square feet of floor space, was completed at Lynn, Mass., and a new laboratory for high-power switchgear testing neared completion in Philadelphia.

Because of its unique laboratory facilities with their highly skilled staffs, General Electric is assigned many of the most intricate jobs involved in developing military and defense equipment. In the case of a modern military plane, for example, the most advanced jet engines are developed and tested at a new Aircraft Gas Turbine Laboratory which was dedicated at Lynn in 1950. The jet engines are tested in flight at the General Engineering Laboratory's Flight Test Center



In one of the new buildings of the Research Laboratory work progressed on a new tool for studying the atomic nucleus, a 300,000,000-volt synchrotron.



A wide range of facilities for meter and instrument research is provided by the new Measurements Laboratory at West Lynn, Mass.

in Schenectady. Here in 1950 an accelerated program was inaugurated to pile up hundreds of flight hours on the four engines of the Air Force's B-45 jet bomber. And into the same military planes go the latest developments in meters and instruments from the Measurements Laboratory, while the plane's complex electronic circuits required for communications, radar, and fire control benefit from developments of the Electronics Laboratory in Syracuse. Still other laboratories develop more efficient and lighter motors, improve the miles of wiring materials of a plane, provide better chemicals for insulation, and silicone and rubber compounds that stand up under wide variations of temperature.

Goals for More Power

"More Power to America" was chosen by the Company's Apparatus Department more than five years ago both as an inspirational slogan and a statement of objectives. Specific goals for helping other industries to improve their productive capacity through modernization, particularly through electrification, were set. All of the goals were attained or surpassed in 1950.

These goals were expressed in terms of the amount of electricity used for each man-hour of work. Back in 1900, it is estimated that the average American workman used electricity at the rate of 0.1 kilowatt-hour per man-hour. Following World War II this average had risen to 5 kilowatt-hours per man-hour. The "More Power to America" program set an objective of 6 kilowatt-hours per man-hour by 1950. So successfully were the specific goals met industry by industry that by 1950 the national average had been raised to 6.75 kilowatt-hours per man-hour. By thus adding to the capacity of each worker to produce, it is estimated that industry has added the equivalent of one and a half million production workers over the peak war years of 1943-44.

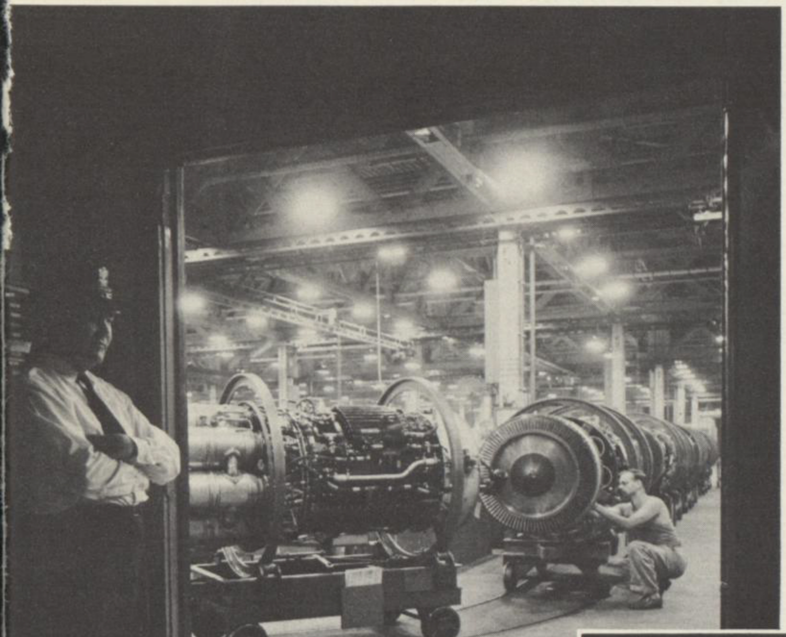
This tremendous increase in the use of electricity by all industry could not have been accomplished without a corresponding increase in power generating apparatus. In its first full year of operation, the new steam turbine manufacturing plant at Schenectady set another record for production, contributing heavily to the huge expansion program which has enabled the electric utilities to keep always ahead of the increased demands for electric power. The distribution equipment, such as transformers and switchgear, to bring this power to its users has kept our plants in Pittsfield and Philadelphia equally busy.

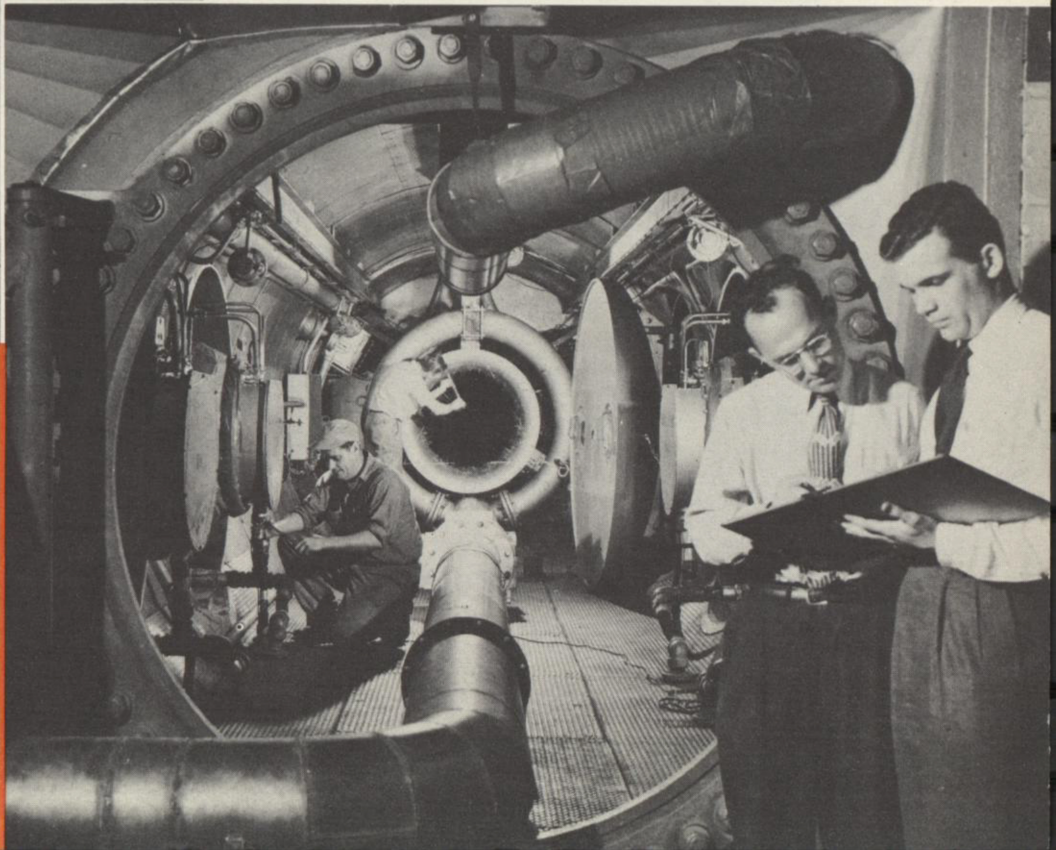
Not only more power, but also more power per pound of fuel used is promised by 1950's production. The average turbine has grown in size and efficiency. The average large turbine produced in 1950 had a capacity of 52,000 kilowatts, compared with 35,500 in 1947. Typical steam power stations installed in 1950 produced twice as much power per pound of coal as those of 25 years ago.

Progress in Gas Turbines

The newest comer to the field of power generation, the gas turbine, also went into volume production for the first time in 1950. More than 30 commercial gas turbines for various applications were under construction in Schenectady following the successful inauguration in 1949 of the first gas turbine for an electric utility and the first in a locomotive. The Union Pacific Railroad, which had been testing the first locomotive in regular freight runs, ordered ten gas turbine-electric locomotives for fast freight service.

Successful development of gas turbine power plants for land, railroad, and marine use has been a logical outgrowth of the intensive work on aircraft gas turbines in the last decade. The gas turbine power plant is similar in principle to the power plant of jet planes. But in the locomotive and stationary power plants, the power is translated through reduction gears to electric generators in place





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Jet engines for the most advanced military planes were produced in volume in 1950, and plans were started to add facilities for still greater production.

▶

Jet engine compressors are tested in this tank which simulates the conditions of altitudes up to 70,000 feet and temperatures of 100° F below zero.

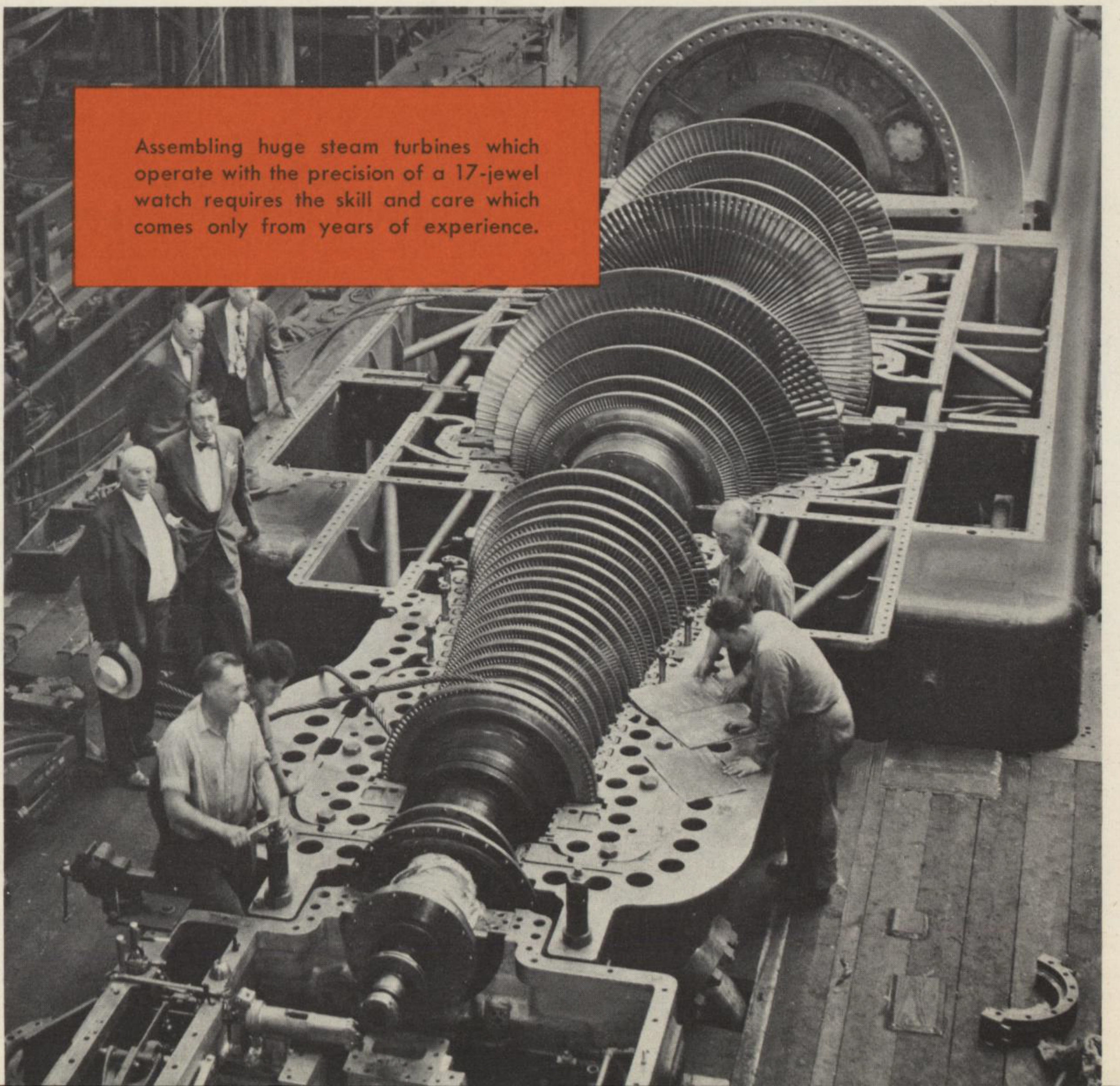
of the direct jet effect, or thrust, used in planes.

Rapid strides in the improvement of all types of aircraft gas turbines were made in 1950. The Company's successful pioneering of the jet engine in this country owes much to its years of experience with the turbosupercharger, the first practical application of a turbine wheel turned by high pressure gases. Originally developed with the Air Force to enable fighting planes to fly at high altitudes, the turbosupercharger is now proving its value in commercial airline service. A new model developed in 1950 will enable commercial airliners to fly nonstop from Chicago to London with heavy payloads.

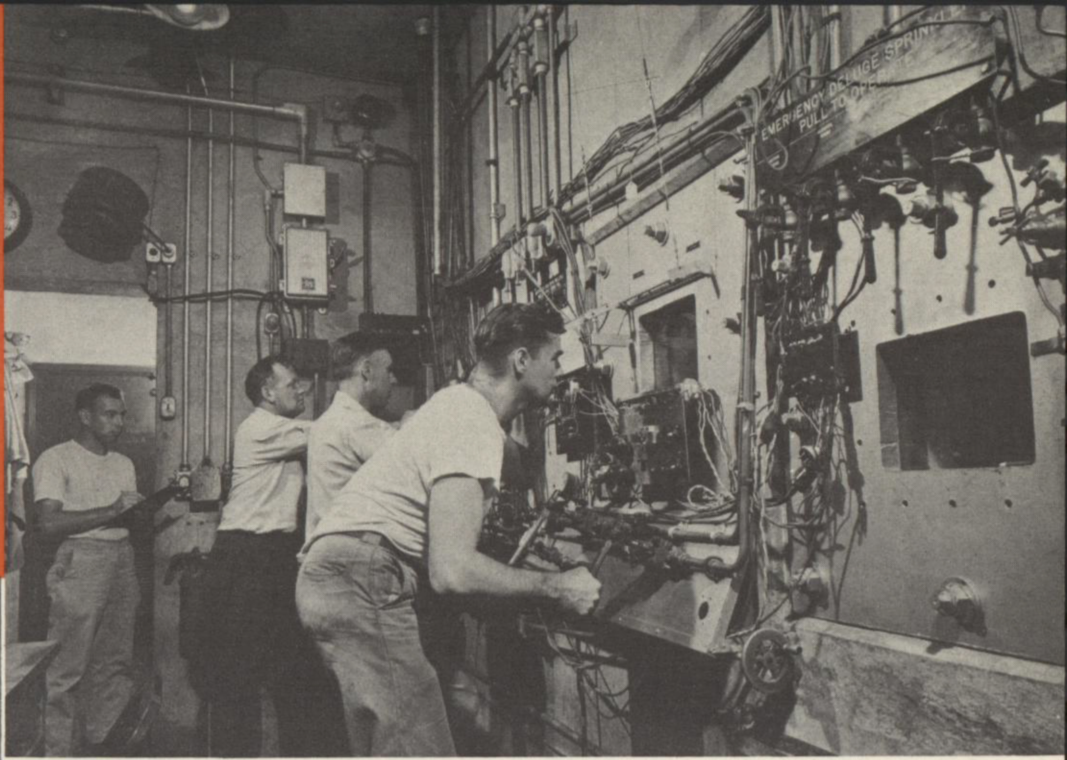
A new radar system for commercial airports was developed by the Electronics Department. By accurately positioning all aircraft within a 30-mile range and detecting larger aircraft up to 60 miles, the system will greatly aid air traffic control in times of both good and poor visibility.

More Jet Power

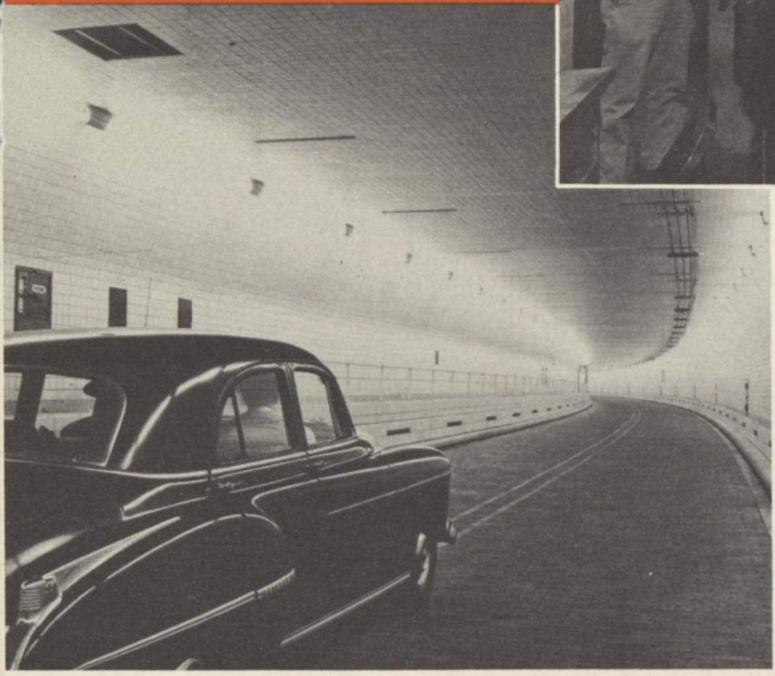
During the year still more power was added to the J-47 turbojet engine, used in advanced fighters and bombers of the Air Force, including the F-86, holder of the official world's speed record. Overhaul intervals for the jet engines were officially increased to 300 hours by the Air Force. Control of the jet power plant was simplified for the pilot by the development of an electronic system which eliminates "nursing" the throttle and constant close checks on engine temperature instruments. An electronic "brain box" takes readings of temperature, speed, and other changes, and makes automatic adjustments for the pilot.



Assembling huge steam turbines which operate with the precision of a 17-jewel watch requires the skill and care which comes only from years of experience.



▶ Rocket motors are tested at Malta, near Schenectady. This is a view inside the control room for one of several rocket motor test pits.



For New York's new Brooklyn-Battery Tunnel General Electric supplied a variety of electrical equipment, including its nearly two miles of continuous fluorescent lighting. ▼

In 1950 General Electric returned to the turbo-prop field, in which it pioneered. Under the sponsorship of the Air Force, work will continue on a Turbodyne engine which has delivered more than 10,000 horsepower in tests and is believed to be the most powerful propeller-type aircraft power plant in the world.

The use of electricity in land transportation continued its phenomenal growth during the year. Diesel-electric locomotives were used mainly in the accelerated programs of the railroads, and Alco-GE diesel-electric locomotives were increased in power. The 1500-horsepower unit was raised to 1600 horsepower and the 2000-horsepower unit to 2250. Extensive modernization programs were undertaken by suburban commuter lines, and several cities added to their trolley-coach fleets.

New Industrial Uses

Throughout industry productivity was increased through broader applications of motors, electronic and other sensitive controls, electric heating, welding, and lighting. A good example is the expansion program of the steel industry whose orders for rolling mill drives exceeded all previous records, including even the World War II years.

The world's largest coal loading shovel dramatically illustrated how electricity brings more power to the miner. Powered by motors and generators totalling 2000 horsepower, the huge shovel loads as much as 25 tons a minute.

An innovation in the petroleum industry was a remote control system for a pipe line enabling a dispatcher in New York to operate automatic pumping stations nearly 1000 miles away.

Air conditioning was an important factor in many industrial installations, especially in high precision manufacturing operations and in processing industries, where accurately controlled air conditions and refrigeration are essential. This equipment is also extensively used for simulated high altitude conditions in testing component parts of aircraft and airborne equipment. Special air conditioning devices are being developed for the

Army, Navy, and Air Force, and prototypes of several models were delivered.

Wiring for More Power

Wire, cable, wiring devices and other construction materials played a vital part in 1950 in expanding the distribution of electric power, as well as in the industrial and home building fields. A unique power-transmission line was installed in a 13½-mile tunnel through the Continental Divide in Colorado. A 69,000-volt line was suspended from the ceiling of an irrigation tunnel only a few inches above normal water level.

The better the wiring job, the less it is noticed, but the essential role of construction materials in every kind of modern building job is illustrated by such varied 1950 projects as the million feet of wire and cable for the Brooklyn-Manhattan vehicular tunnel, the Fiberduct installation of the United Nations Secretariat building, and the wiring of a Great Lakes ore carrier to furnish power equal to that used in a small city.

Chemicals Aid Industry

While chemicals and plastics are popularly best known for some of their glamorous applications to new consumer products, they are basically even more important in industry.

The silicones continued to find their way into a great variety of different products and industrial processes. Silicone electrical insulation permitted improved designs and performance of electrical equipment. Plastics compounds having greater resiliency and heat resistance were developed, and manufacturing facilities for the production of molded plastics were expanded and modernized.

Growth in Electronics

Several ways in which electronics products have contributed to industrial and military equipment have been referred to. Much of the development work in electronics for national defense cannot, of course, be reported. It is important to note, however, that this work has gone on even while popular attention has been focussed on the spectacular growth of the television industry.

The all-electric kitchen has continued to grow in popularity, and many new homes were completely equipped with electrical appliances in 1950.

As a result of the tremendous expansion of television, accompanied by a continued high demand for radio receivers, the electronics industry built a reservoir of technology and manpower of vital importance in a time of national emergency. Expanded facilities and organization, planned originally for continued growth of peacetime applications, stood ready at the close of 1950 to meet whatever demands the future might make of this highly technical industry.

Lighting for Production

America's production achievement in World War II was given a stout assist by the timely development of the fluorescent lamp. Good lighting has continued to be an important factor in industrial production and safety. One company reported a 25 per cent increase in punch-press production when the plant was equipped with special supplementary and new general lighting. A shop in Milwaukee reduced accident frequency 43 per cent after a new lighting system was installed.

Each year has seen both improved tools for lighting and a broader understanding of how to apply them. In 1950 an intensive educational program in all kinds of lighting was conducted by electric utilities throughout the country, employing the traveling Lighting Clinics which were originated at General Electric's Lighting Institute at Nela Park, Cleveland, and based on techniques developed there.

Outdoor lighting plays another important role, both in plant protection and in safety on streets and highways. During the year the first major fluorescent street-lighting system was installed on Detroit's Wyoming Avenue, using 8-foot lamps and specially designed fixtures.

More Power to the Farmer

Electricity has brought 50 per cent more power to the American farmer in the last five years. Now that the job of making electric service available to most farms has been nearly completed, more emphasis is being placed on finding new applications of electricity to farming.

Using new lamps and new techniques in the application of radiant energy, researchers are finding that the farmer can now control conditions favorable to the growth of plants and animals. Plants seem to be less influenced by the intensity of light than by the rhythmic control of periods of light and darkness. Infrared lamps, long used for small flocks of poultry, are now being used in large-scale commercial chick raising.

Consumer Products Affected

The new emphasis on defense production in 1950 had its effect on a great variety of the Company's consumer products. To the extent that materials and facilities were available without interfering with the defense program, every effort was made to fill the tremendous public demand for these products. Wherever possible, product designs were studied to substitute for critical materials without sacrificing quality. But the rapidly mounting requirements of the defense job at year's end made it difficult to forecast to what degree these products would be affected in the coming year.

The direct requirements of production for defense will, of course, take priority over the normal peacetime demand for the wiring materials, electrical appliances, lighting, radio and television, heating and air conditioning, and chemicals and plastics which go into commercial establishments and homes. Many of these products, however, have made an essential, if indirect, contribution to a more productive America and will continue to play their important role as the nation's needs for housing and food preservation expand.

For the home, for the farm, for commerce and industry, and for the nation's security, the co-ordinated efforts of nearly 200,000 men and women of General Electric established a new high in 1950 in bringing more power to America. And, as in past years of the electrical history, the products they made and the ideas they brought forth became the foundations on which to build still more power in the future.

Radar is one of the important equipments being built by General Electric for defense. During World War II, the Company participated in the design and manufacture of more than 50 different types.

Ansel Adams—
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General Electric Company

PLANT LOCATIONS and PRINCIPAL PRODUCTS

Allentown, Pa.
Toasters

Anaheim, Calif.
Glyptal alkyd resins

Andover, O.
Miniature lamp bulbs

Ashland, Mass. (2 plants)
Clocks, timers

Baltimore, Md.
Insulators, pole line hardware

Bellevue, O.
Photoflash lamps

Bloomfield, N. J.
Heating and air-conditioning equipment

Bridgeport, Conn.
Construction materials, appliances

Bridgeville, Pa.
Lamp lead glass tubing and cane

Brockport, N. Y.
Mixers, roasters

Bucyrus, O.
Fluorescent lamps and tubing

Buffalo, N. Y.
Television and Tungar tubes

Burlington, Vt.
Ordnance

Chicago, Ill.
Ranges, automatic washers

Chicago Heights, Ill.
Commercial cooking equipment

Cicero, Ill. (2 plants)
Ranges, Calrod units, control devices

Circleville, O.
Fluorescent Slimline lamps

Cleveland, O. (6 plants)
Lamps, lamp bulbs, glass and lamp machinery, lead wires, fluorescent powder, chemicals, vacuum cleaners

Clyde, N. Y.
Germanium products

Conneaut, O.
Lamp bases

Coshocton, O.
Laminated plastics, varnishes

Coxsackie, N. Y.
Heating pads, reflector heaters

Danville, Ill.
Fluorescent ballasts

Decatur, Ill.
Molded and extruded plastics products

Decatur, Ind.
Fractional-horsepower motors

DeKalb, Ill.
Fractional-horsepower motors

Detroit, Mich.
Cemented carbide tools, dies

Dover, O.
Lamp wire

East Boston, Mass.
Miniature and Christmas tree lamps

Elmira, N. Y.
Gray iron castings

Erie, Pa.
Locomotive and car equipments, industrial motors, refrigerators, freezers

Euclid, O.
Lamp wire, gases

Everett, Mass. (2 plants)
Aircraft gas turbines, supercharger parts, steel castings.

Fitchburg, Mass.
Mechanical drive turbines, superchargers, welders

Ft. Edward, N. Y.
Capacitors

Ft. Wayne, Ind. (3 plants)
Refrigeration machines, fractional- and integral-horsepower motors, generators, specialty transformers, magnet wire

Goldsboro, N. C.
Lamp lead wires

Holyoke, Mass.
Transformers, welders

Houston, Tex.
Panels, switchboards

Huntingburg, Ind.
Receiving tube subassemblies

Irvington, N. J.
Metal parts for electronic tubes

Jackson, Miss.
Fluorescent lamps and tubing

Jefferson, O.
Lamp lead wires

Johnson City, N. Y.
Ordnance

Lexington, Ky. (2 plants)
Sealed beam lamps, glass

Lockland, O.
Aircraft gas turbines

Logan, O.
Lamp glass tubing

Los Angeles, Cal.
Switches, circuit breakers, panel and switchboards

Lowell, Mass.
Building wire and cable

Maspeth, N. Y.
Switches, circuit breakers, panels and switchboards

Mattoon, Ill.
Fluorescent lamps

Memphis, Tenn.
Miniature and Christmas tree lamps

Milwaukee, Wis. (2 plants)
X-Ray apparatus and tubes, electromedical equipment, dishwashers, water heaters

Morrison, Ill.
Appliance controls

Newark, N. J.
Miniature and large lamps

New Kensington, Pa.
Rigid conduit

Newport, R. I. (2 plants)
Wiring devices and metal parts

Niles, O. (2 plants)
Lamp bulbs, glass, hot-rolled sheet steel, electrical metallic tubing

Norfolk, Conn.
Fluorescent starters

Norwood, O.
Panels, switchboards

Oakland, Calif. (3 plants)
Transformers, cable, magnet wire, lamps

Ontario, Calif.
Hand irons

Owensboro, Ky.
Receiving tubes

Philadelphia, Pa.
Switchgear

Pittsfield, Mass. (5 plants)
Transformers, capacitors, regulators, industrial heating equipment, ordnance, chemicals, and plastics molds

Plainville, Conn.
Switches, circuit breakers, panel and switchboards

Providence, R. I. (2 plants)
Wiring devices, cord sets, lamp bases

Rockford, Ill.
Radio and television cabinets

St. Louis, Mo.
Large lamps

San Francisco, Calif.
Control apparatus

San Jose, Calif.
Motors

Schenectady, N. Y. (2 plants)
Turbines, motors, control, ordnance, wire and cable, electronics equipment, insulation and metallurgical materials, generators, industrial heating, aeronautic equipment

Scranton, Pa.
Electric sinks, portable dishwashers

Seattle, Wash.
Switches, circuit breakers, panel and switchboards

Somersworth, N. H.
Time switches, meters

Springfield, Mass.
Plastics molds

Syracuse, N. Y. (2 plants)
Radio and television receivers and transmitters, electronic equipment, television tubes

Taunton, Mass.
Molded plastics products

Tell City, Ind.
Radio receiving tubes

Tiffin, O.
Fractional-horsepower motors

Trenton, N. J.
Automatic washers

Utica, N. Y.
Radio receivers

Wabash, Ind.
Radio and television cabinets

Warren, O. (2 plants)
High wattage and sealed beam lamps

Waterford, N. Y.
Silicones

West Lynn, Mass. (3 plants)
Motors, turbines, aircraft gas turbines, superchargers, aircraft instruments, measurement devices, lighting equipment, rectifiers

White Plains, N. Y.
Disposall kitchen-waste units

Worcester, Mass. (2 plants)
Clocks, motors, clock and timer parts

York, Pa.
Wire and cable

Youngstown, O.
Large lamps and coils

Information about General Electric products and services may be obtained through the Company's sales offices, and the offices of its authorized distributors and dealers in principal communities throughout the country. For information not available locally, inquiries may be addressed to the General Electric Company at the headquarters of the appropriate operating department listed below.

Air Conditioning Department, 5 Lawrence St., Bloomfield, N. J.
Apparatus Department, 1 River Rd., Schenectady 5, N. Y.
Appliance and Merchandise Department, 1285 Boston Ave., Bridgeport 2, Conn.
Chemical Department, 1 Plastics Ave., Pittsfield, Mass.
Construction Materials Department, 1285 Boston Ave., Bridgeport 2, Conn.
Electronics Department, Electronics Park, Syracuse, N. Y.
Lamp Department, Nela Park, Cleveland 12, O.
Affiliated Manufacturing Companies Dept., 570 Lexington Ave., New York 22, N. Y.

General
Electric
Company

OPERATING AND OTHER STATISTICS

DOLLARS IN MILLIONS

Year	Sales to Customers	Non-operating Income	Compensation of Employees (*a*)	Job Dividends (*b*)	Materials, etc. (*c*)	Depreciation Charges (*d*)	Federal Taxes on Income (*e*)	Interest and Financial Charges	Net Earnings	Dividends Declared
1935	$ 232.7	$11.7	$ 96.4	$ 5.4	$ 98.0	$10.5	$ 5.2	$0.4	$28.5	$20.2
1936	299.1	15.6	115.6	7.1	124.5	13.1	8.4	0.4	45.6	43.3
1937	387.5	16.4	151.3	9.8	153.0	14.2	12.5	0.7	62.4	63.3
1938	292.6	10.0	126.6	9.8	118.1	13.3	6.7	0.8	27.3	25.9
1939	342.3	10.0	133.3	10.4	138.4	15.7	11.0	0.7	42.8	40.3
1940	456.5	13.2	161.9	12.3	175.4	16.7	46.3	0.5	56.6	53.3
1941	744.1	13.0	250.3	15.6	278.7	23.5	130.9	1.4	56.7	50.4
1942	964.5	11.1	383.8	27.1	372.1	26.3	120.9	1.1	44.3	40.3
1943	1,377.2	10.1	506.2	30.0	633.3	27.1	141.2	1.3	48.2	40.3
1944	1,447.1	16.3	507.3	26.9	696.9	28.0	150.0	0.8	53.5	40.3
1945	1,378.3	9.7	447.3	27.7	716.7	43.6	93.1	0.6	59.0	46.1
1946	768.9	13.4	374.4	23.0	340.2	21.5	*21.1*	1.3	43.0	46.1
1947	1,330.8	16.7	511.6	42.8	599.4	28.3	64.8	5.3	95.3	46.1
1948	1,632.7	18.8	610.3	49.6	730.5	38.3	93.7	5.3	123.8	51.4
1949	1,613.6	20.2	597.9	51.7	728.2	47.5	78.0	4.9	125.6	71.0
1950	1,960.4	28.9	630.8	65.1	867.0	51.2	197.0	4.8	173.4	97.1

DOLLARS IN MILLIONS

Year	Product Prices (*f*)	Capital Invested (*g*)	Total Earnings of Employees (*h*)	Avg. Number of Employees (*h*)	Avg. Number of Stockholders	Plant Expenditures	Provision for all Taxes (*e*)	Notes Payable Dec. 31	Earnings as % of Sales	Earned on Capital Invested (*i*)
1935	108	$317.0	$ 98.4	63,048	185,975	$ 6.6	$11.2	$ 0.5	12.3%	9.0%
1936	104	329.2	119.8	70,199	188,319	10.4	16.9	9.2	15.2	13.9
1937	107	329.8	163.1	85,947	196,309	24.8	26.5	9.0	16.1	18.9
1938	104	332.4	116.6	68,809	207,702	13.4	18.9	9.7	9.3	8.3
1939	102	328.1	134.5	71,485	209,627	13.3	24.8	3.7	12.5	13.1
1940	100	330.7	169.6	85,746	211,622	23.5	61.8	4.7	12.4	17.2
1941	-f)	337.5	278.6	121,326	217,398	45.2	159.5	5.7	7.6	16.9
1942	-f)	347.8	410.7	151,644	220,504	31.7	154.2	5.1	4.6	12.8
1943	-f)	357.9	506.0	184,445	226,386	14.9	175.0	5.1	3.5	13.5
1944	-f)	368.1	497.2	180,018	232,925	13.3	191.1	4.1	3.7	14.6
1945	-f)	380.7	433.9	161,822	238,975	41.1	126.9	3.4	4.3	15.6
1946	111	578.7	404.7	159,435	246,013	99.8	17.7	202.9	5.6	7.6
1947	133	632.8	559.8	185,696	249,351	102.0	129.4	202.4	7.2	15.8
1948	137	734.8	662.7	196,798	249,311	103.9	173.7	177.1	7.6	17.5
1949	137	761.5	606.7	179,300	250,562	60.9	152.1	144.5	7.8	17.0
1950	140	702.9	681.0	183,800	249,530	58.2	299.4	—	8.8	25.2

(*a*) Excludes compensation applicable to work in process and finished goods on hand at end of year, that chargeable to plant construction or similar capital projects, and that applicable to Nucleonics projects.

(*b*) Pensions, insurance, social security taxes and all other employee benefits not classified as compensation.

(*c*) Includes all other applicable costs, expenses and charges not separately tabulated.

(*d*) Amounts shown for 1941 through 1945 include amortization charges. The 1945 charges also include accelerated amortization of emergency facilities applicable to the years 1940–1945, inclusive.

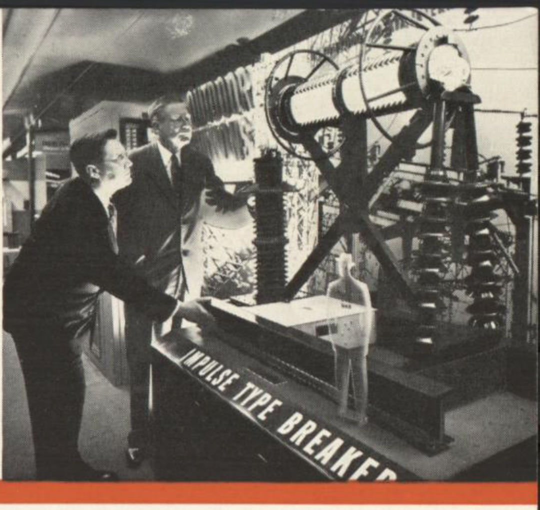
(*e*) Amounts shown cover provision for taxes applicable to operations for the year, less claims for refunds of taxes on income for prior years and estimated postwar refunds of excess profits taxes.

(*f*) Index numbers—1940 = 100. Data cover prices of products of the Parent Company only in 1934-1939, inclusive, and of the consolidated companies thereafter—all on a weighted average basis. Data for 1941–1945, inclusive, were omitted because production was largely for war purposes.

(*g*) Stockholders' investment plus notes payable as of December 31 each year.

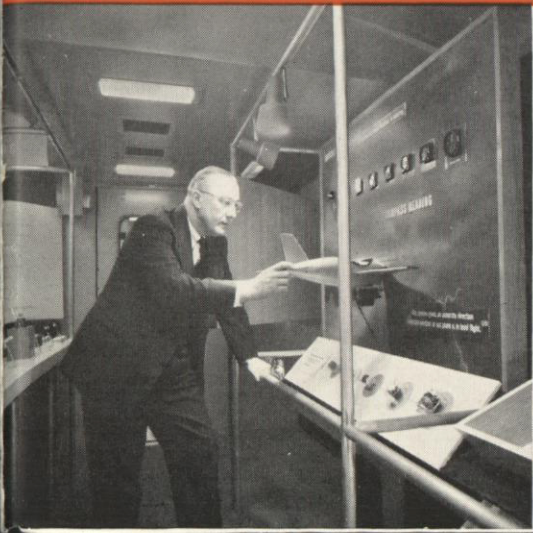
(*h*) These data cover all employees on the payroll and their total earnings for the year, including the number of, and amounts earned by, employees working on Nucleonics projects operated for the U.S. Government.

(*i*) Consolidated net earnings for the year—before interest on borrowed money—in relation to total capital invested as of the close of the year.



MORE POWER TO AMERICA

In 1950 General Electric's "More Power to America Special," a ten-car exhibit train, began a nationwide tour which continues in 1951. Visiting our principal industrial centers, it displays with timely and dramatic emphasis the many opportunities which the electrical industry offers for increasing the nation's productivity. This quarter-mile long travelling showcase, of which the engine itself is a part, contains more than 2000 products and ideas for commerce and industry, for civic improvement, and for national defense. A few typical exhibits are shown on this page.



TIME TO RETIRE?

You can put your confidence in—

GENERAL ELECTRIC